



UNITED STATES ATTORNEY'S OFFICE EASTERN DISTRICT OF VIRGINIA

ALEXANDRIA NEWPORT NEWS NORFOLK RICHMOND

CHUCK ROSENBERG, UNITED STATES ATTORNEY

FOR IMMEDIATE RELEASE:

September 20, 2006

Jim Rybicki
Public Information Officer
Phone: (703) 842-4050 Fax: (703) 549-5202
E-Mail: usavae.press@usdoj.gov
Website: www.usdoj.gov/usao/vae

Further Information Contact:
Susan Vick (804) 819-5400

PETERSBURG DOCTOR CONVICTED OF OBSTRUCTION OF JUSTICE IN CONNECTION WITH INVESTIGATION OF FORMER VIRGINIA DELEGATE

(Richmond, VA) – Dr. Clarence Scranage, Jr., age 51, of Petersburg, Virginia, was convicted by a federal jury yesterday of obstructing an official Federal Bureau of Investigation (FBI) investigation and making a false statement to an FBI Agent. Scranage faces up to 20 years imprisonment and a fine of up to \$250,000 on the obstruction charge, and five years and the same fine for making the false statement, when he is sentenced by United District Judge Henry E. Hudson on December 15, 2006. The convictions were announced by Chuck Rosenberg, United States Attorney for the Eastern District of Virginia; FBI Special-Agent-in-Charge Charles J. Cunningham; and, Colonel W. Steven Flaherty of the Virginia State Police.

Both counts relate to the 2004 joint investigation conducted by the FBI and the Virginia State Police of then Virginia Delegate Fenton Bland. Bland pled guilty in early 2005 to conspiracy to commit bank fraud and is serving a 57-month sentence in federal prison. As part of his plea, Bland admitted to forging deeds to property owned by a Petersburg resident who was living in a nursing home. Bland used these properties to obtain bank loans, primarily for the benefit of the A.D. Price funeral home which Bland owned and operated in the Jackson Ward district.

It was established at trial that Scranage assisted Bland's scheme by signing two competency letters addressed to a title insurance company. The letters falsely indicated that the nursing home resident was competent when he deeded property to Bland and at least one other person. Scranage was questioned during the investigation of Bland for bank fraud in August of 2004. Charges were filed after he falsely denied having contact with Bland during the investigation when, in fact, the two had met one day prior to his interview by law enforcement. Additional charges resulted based on evidence that Scranage had planted an altered form of one of the competency letters in documents he provided to investigators during that interview.

The investigation was conducted by the Federal Bureau of Investigation and the Virginia State Police. The case is being prosecuted by Assistant United States Attorney Laura Colombell Marshall.

###